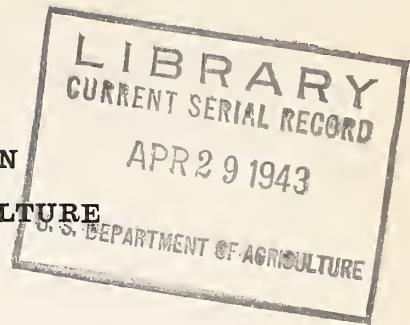


Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

FOOD DISTRIBUTION ADMINISTRATION
UNITED STATES DEPARTMENT OF AGRICULTURE



[Food Distribution Order 4]

PART 1450—TOBACCO

**RESTRICTIONS ON THE SALE AND ACQUISITION
OF 1942 CROP BURLEY TOBACCO**

Pursuant to the authority vested in me by Executive Order No. 9280, dated December 5, 1942, and to insure an adequate supply and efficient distribution of Burley tobacco of the 1942 crop to meet war and civilian needs, *It is hereby ordered*, As follows:

§ 1450.1 1942 crop burley tobacco, allocation and restrictions on acquisitions—(a) **Definitions.** When used in this order unless otherwise distinctly expressed or manifestly incompatible with the intent thereof:

(1) "Burley tobacco" means tobacco of Type 31, as defined in the Official Standard Grades for Burley Tobacco, promulgated by the Secretary of Agriculture under the Tobacco Inspection Act. (7 U.S.C., 511 et seq.)

(2) "Person" means any individual, partnership, corporation, association or other business entity.

(3) "Manufacturer" means any person who processes tobacco into a product for consumer use which is subject to taxation under the Internal Revenue Code. (26 U.S.C. 2000 to 2040)

(4) "Director" means the Director of Food Distribution, United States Department of Agriculture or any employee of the United States Department of Agriculture designated by such Director.

(b) **Restrictions.** (1) No person shall after the effective date of this order purchase or otherwise acquire burley tobacco of the 1942 crop unless acquired pursuant to an allocation made under this order.

(2) No person shall offer or cause to be offered for resale at auction burley to-

bacco of the 1942 crop, which has been sold after the effective date of this order on an auction market.

(3) No manufacturer or person purchasing for resale, shall after the effective date of this order purchase burley tobacco of the 1942 crop in looseleaf form which has not been inspected and certificated pursuant to the provisions of the said Tobacco Inspection Act.

(4) The restrictions of this order shall be observed without regard to the rights of creditors, contracts and payments made or any other action taken thereunder.

(c) **Records and reports.** Every manufacturer, person operating an auction warehouse on which burley tobacco is sold and any other person to whom this order applies, shall maintain such records for such periods of time and shall execute and file such reports and submit such information as the Director may from time to time request or direct and within such time as he may prescribe.

(d) **Audits and inspections.** Every manufacturer or any other person to whom this order applies shall permit inspections of his stocks of tobacco and of his books, records, and accounts by the Director or any person designated by him.

(e) **Petition for relief from hardship.** Any person affected by this order who considers that compliance herewith would work an exceptional and unreasonable hardship on him may apply in writing for relief to the Director, setting forth, in said petition, all pertinent facts and the reasons for such petition being approved. The Director may thereupon take such action as he deems appropriate, and such decision by the Director shall be final.

(f) **Violations.** Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or fur-

nishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of or from processing or using material under priority control, and may be deprived of priority assistance: *Provided*, That no person shall be deemed to have violated this order by reason of having acquired tobacco during the burley auction marketing season in excess of any allocation made under this order, if such person, within 10 days after the close of the burley auction marketing season, files a notice with the Director giving full information with respect to such excess acquisitions, and, subject to the direction of the Director, makes all tobacco acquired subsequent to filling his allocation available for purchase, at the price acquired, to eligible manufacturers.

(h) **Communications to Department of Agriculture.** All reports required to be filed hereunder and all communications concerning this order shall, unless otherwise directed, be addressed to: Director of Food Distribution, United States Department of Agriculture, Washington, D. C. Ref: FD-4.

(i) **Delegation of authority.** The Director of Food Distribution is hereby designated to administer the provisions hereof. The allocations provided herein shall be made by the Director subject to such conditions as he may prescribe and which will tend to effectuate the purposes of this order.

(j) **Effective date.** This order shall be effective as of the date of its issuance. (E.O. 9280, 7 F.R. 10179)

Issued this 7th day of January 1943.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

FOOD DISTRIBUTION ADMINISTRATION
UNITED STATES DEPARTMENT OF AGRICULTURE

[Food Distribution Order 4.1]

PART 1450—TOBACCO

ALLOCATIONS OF 1942 CROP BURLEY TOBACCO

Pursuant to the authority vested in me by Food Distribution Order No. 4, dated January 7, 1943, issued under the authority of Executive Order No. 9280, dated December 5, 1942, and to effectuate the purposes of those orders, *It is hereby ordered*, as follows:

§ 1450.2 1942 crop burley tobacco, allocation and regulations—(a) Meaning of words. Words in this section in the singular form shall be deemed to import the plural and vice versa as the case may demand.

(b) Definitions. When used in this order the terms as defined in Food Distribution Order No. 4, shall have the same meaning. In addition and except as may be provided otherwise herein:

(1) "Dealer" means any person other than a manufacturer who buys and sells leaf tobacco.

(2) "Tobacco" means "burley tobacco" (tobacco of Type 31), as defined in Food Distribution Order No. 4.

(c) Allocations—(1) Manufacturers. Any manufacturer is authorized to purchase or otherwise acquire tobacco of the 1942 crop, in an amount which shall not exceed 90 percent of the average number of pounds purchased or otherwise acquired by him (including acquisitions of predecessors in interest) of the crops of 1939, 1940, and 1941: *Provided*, That no manufacturer may purchase on auction markets or from producers, either directly or through dealers with whom he places buying orders, an amount of 1942 crop tobacco which shall exceed 90 percent of the average number of pounds of tobacco so purchased by him annually of the crops of 1939, 1940, and

1941, computed according to the number of years, if less than three, during which he made such purchases, less the total pounds of tobacco of the 1942 crop purchased or acquired by him prior to the effective date of this order.

(2) Dealer. Any dealer may purchase for his own account on auction markets or from producers, 1942 crop tobacco in an amount which will not exceed his average annual purchases of tobacco for his own account by the same methods of the crops of 1939, 1940, and 1941, computed according to the number of years, if less than three, during which he made such purchases: *Provided*, That dealers, who are now engaged in buying and selling tobacco, but who were not so engaged during the marketing of the 1939, 1940, and 1941 crops of tobacco, who have the organization and facilities to purchase and pack tobacco, may apply to the Director for relief by way of specific allocation under the provisions of § 1450.1 (e), of the Food Distribution Order No. 4.

(3) Purchases of tobacco of the 1939, 1940, and 1941 crops resold at auction. shall not be included in the computation of the amount authorized to be acquired under allocations.

(4) The execution of manufacturer's buying orders by dealers are not purchases for the dealer's own account and are chargeable to the manufacturer's allocation hereunder.

(5) Conversion to undried basis. The poundage figures used in computing allocations shall be reduced to an undried (green weight) basis. Tobacco in the steamdried or airdried condition and in unstemmed form shall be converted to the undried basis by multiplying the number of pounds by the factor 1.11. Tobacco in the steamdried or airdried condition and in stemmed form shall be converted to the undried basis by multiplying the number of pounds by the factor 1.48.

(6) Modification and amendment. All locations as set forth in subparagraphs (1) and (2) are subject to amendment or modification by supplemental order.

(d) Reports. Every manufacturer and dealer to whom this order applies shall:

(1) Within ten days from the effective date of this order submit a report to the Director showing his purchases from the 1939, 1940, and 1941 crops of tobacco, including the manner of acquisition (i. e. at auction, from dealers, from producers), together with a statement of his computations with respect to the number of pounds of the 1942 crop of tobacco that he may acquire under this order.

(2) File a report with the Director within ten days after the close of the tobacco auction marketing season showing the total amount of tobacco purchased on auction markets or from producers. (Reporting Requirement approved Bureau of the Budget No. 40-ST 022-43)

(e) Provisions incorporated by reference. The provisions of Food Distribution Order No. 4 with respect to reports and records, audits and inspections, petitions for relief from hardship, and violations shall apply to persons to whom this order applies with the same force and effect as if set forth herein.

(f) Communications. All reports required to be filed hereunder and all communications concerning this order shall, unless otherwise directed, be addressed to: Director of Food Distribution, United States Department of Agriculture, Washington, D. C., Ref: FD-4.1.

(g) Effective date. This order shall be effective as of the date of its issuance. (E.O. 9280, 7 F.R. 10179; Food Distribution Order No. 4, 8 F.R. 335)

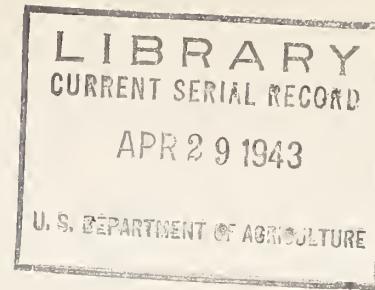
Issued this 8th day of January 1943.

[SEAL] **Roy F. HENDRICKSON,**
Director of Food Distribution.

1733F

FDO 4-2

JAN. 16, 1943



FOOD DISTRIBUTION ADMINISTRATION
UNITED STATES DEPARTMENT OF AGRICULTURE

[Food Distribution Order 4-2]

PART 1450—TOBACCO

RESTRICTIONS ON SALE AND ACQUISITION OF
1942 CROP BURLEY TOBACCO

Pursuant to the authority vested in me by Executive Order No. 9280, dated December 5, 1942, Food Distribution Order No. 4, § 1450.1 (8 F.R. 335), is amended by striking out paragraph (b) (2) and inserting in lieu thereof:

§ 1450.1 1942 crop burley tobacco, allocation and restrictions on acquisitions. * * *

(b) *Restrictions.* * * *
(2) No person shall offer or cause to be offered for resale at auction burley tobacco of the 1942 crop, which has been sold after January 15, 1943, on an auction market.

(E.O. 9280, 7 F.R. 10179)

Issued this 16th day of January 1943.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.



FOOD DISTRIBUTION ADMINISTRATION
UNITED STATES DEPARTMENT OF AGRICULTURE

PART 1450—TOBACCO

[FDO 4-1, Amendment 1]

ALLOCATIONS OF 1942 CROP BURLEY TOBACCO

Pursuant to the authority vested in me by Food Distribution Order No. 4 (8 F.R. 335) dated January 7, 1943, issued under the authority of Executive Order No. 9280, dated December 5, 1942, and in order to effectuate the purposes of said orders: *It is hereby ordered*, That Food Distribution Order No. 4-1 (8 F.R. 392) issued by the Director on January 8, 1943,

be, and the same hereby is, amended by deleting therefrom the provisions in § 1450.2 (c) (6) and inserting, in lieu thereof, the following:

(6) *Modification and amendment.* Allocations as set forth in (c) (1) and (2) hereof may be modified, amended, or supplemented from time to time by notices or letters, issued by the Director, addressed to any manufacturer or dealer.

The provisions hereof shall become effective on April 5, 1943. Any violation

of Food Distribution Order No. 4-1, prior to the effective time of this amendment, shall not be deemed to be released, waived, or affected by the provisions of this amendment.

(E.O. 9280, 7 F.R. 10179; F.D.O. 4, 8 F.R. 335)

Issued this 3d day of April 1943.

[SEAL] ROY F. HENDRICKSON,
Director of Food Distribution.

Press Release Immediate:
Monday, April 5, 1943

Approximately 10 million additional pounds of Burley tobacco are now available to manufacturers, the Department of Agriculture said today, because the 1942 crop has exceeded the December production estimate by that amount. An amendment to Food Distribution Order No. 4.1, effective April 5, 1943, provides for supplemental allocation of this quantity.

Under Food Distribution Order No. 4.1, issued January 8, 1943, manufacturers

were permitted to purchase 1942-crop Burley up to 90 percent of their average purchases from the 1939, 1940, and 1941 crops. Today's amendment provides a means of carrying out the announcement made when the original order was issued, that if the 1942 crop should exceed an estimated 331 million pounds allocations would be increased.

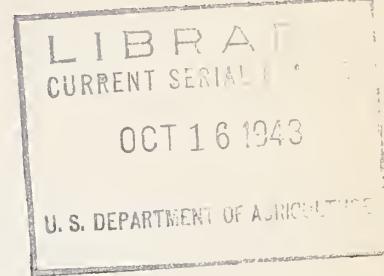
The amendment provides that allocations may be modified, amended or supplemented by means of notices or letters issued by the Director of Food Distribution.

Under the amendment, a manufacturer will be allocated the same percentage of the 10 million pounds he was entitled to acquire from the 331 million pounds. Any manufacturer, however, who has already reported that he would not acquire the entire amount of his original allocation will not now receive a supplemental one. Purchases under the supplemental allocation should be reported to the Director of Food Distribution, Washington, D. C., and will be subject to the provisions of other existing Burley tobacco orders.

17337
Ref. 1

FDO 4-1 as Amended

SEPTEMBER 30, 1943



WAR FOOD ADMINISTRATION

[FDO 4-1, as Amended]

PART 1450—TOBACCO

TERMINATION OF ORDER ALLOCATING 1942 CROP BURLEY TOBACCO

Pursuant to the authority vested in me by Food Distribution Order No. 4, issued by the Secretary of Agriculture on January 7, 1943, as amended (8 F.R. 335, 11331), it is hereby ordered as follows:

That Director Food Distribution Order No. 4-1, issued by the Director of Food

Distribution on January 8, 1943, as amended (8 F.R. 392, 4281), allocating 1942 crop burley tobacco, be, and the same is hereby, terminated at 12:01 a.m., e. w. t., October 1, 1943.

With respect to violations of said Director Food Distribution Order 4-1, as amended, or rights accrued, liabilities incurred, or appeals taken under said order, as amended, prior to the effective time of the termination thereof, said Director Food Distribution Order 4-1, as

amended, shall be deemed to be in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violation, right, or liability.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423; FDO 4, 8 F.R. 335, 11331)

Issued this 30th day of September 1943.

Roy F. HENDRICKSON,
Director of Food Distribution.

Press Release Immediate:
Friday, October 1, 1943.

Restrictions on the purchase of 1942-crop Burley tobacco have been removed effective October 1, by the War Food Administration today.

Removal was effected by revocation of Food Distribution Order 4.1 as amended,

under which the crop was allocated among tobacco manufacturers and buyers on the basis of their previous purchases.

It is estimated that not more than 5 million pounds of the approximately 342 million pound crop remain unsold. WFA officials said that this remainder, now in dealers' hands, is insufficient in

size and quality to justify a reallocation among U. S. manufacturers.

Main purpose of the orders was to insure an ultimate equitable distribution of the short 1942 Burley crop among manufacturers. Since this purpose has now been achieved, dealers are not required to hold scattered lots any longer.

LIBRARY
CURRENT SERIAL RECORD

AUG 23 1943

WAR FOOD ADMINISTRATION

[FDO 4, Amdt. 2]

PART 1450—TOBACCO

RESTRICTIONS ON THE SALE, DELIVERY, PURCHASE, ACCEPTANCE, USE, AND PROCESSING OF TOBACCO.

Food Distribution Order No. 4, issued by the Secretary of Agriculture on January 7, 1943 (8 F.R. 335), as amended, is hereby further amended to read as follows:

§ 1450.1 Restrictions on the sale, delivery, purchase, acceptance, use, and processing of tobacco—(a) Definitions. When used in this order, unless otherwise distinctly expressed or manifestly incompatible with the intent hereof:

(1) The term "person" means an individual, partnership, association, business trust, corporation, or any organized group of persons, whether incorporated or not.

(2) The term "Director" means the Director of Food Distribution, War Food Administration.

(3) The term "tobacco" means the green or cured plants, or any part thereof, of the species *Nicotiana tabacum* and *Nicotiana rustica*.

(b) *Restrictions.* (1) The Director may, if he deems it necessary or desirable to effectuate the purposes of this order, restrict the sale, purchase, delivery, acceptance, use, or processing of any type or types of tobacco by any person.

(2) No person shall sell, deliver, purchase, accept, use or process tobacco in violation of any order issued by the Director pursuant hereto.

(c) *Audits and inspections.* The Director shall be entitled to make such audit or inspection of the books, records and other writings, premises or stocks of tobacco of any person, and to make such investigations, as may be necessary or appropriate, in his discretion, to the

enforcement or administration of the provisions of this order.

(d) *Records and reports.* (1) The Director shall be entitled to obtain such information from and require such reports and keeping of such records by, any person, as may be necessary or appropriate, in his discretion, to the enforcement or administration of the provisions of this order.

(2) Every person subject to this order shall, for at least two years (or for such period of time as the Director may designate), maintain an accurate record of his transactions in tobacco.

(3) The record-keeping requirements of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942. Subsequent record-keeping or reporting requirements will be subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942.

(e) *Petition for relief from hardship.* Any person affected by this order who considers that compliance herewith would work an exceptional and unreasonable hardship on him may apply in writing for relief to the Director, setting forth in such petition all pertinent facts and the nature of the relief sought. The Director may thereupon take such action as he deems appropriate, which action shall be final.

(f) *Violations.* The War Food Administrator may, by suspension order, prohibit any person who violates any provision of this order from receiving, making any deliveries of, or using tobacco or any other material subject to priority or allocation control by the War Food Administrator, and may recommend that any such person be prohibited from receiving, making any deliveries of, or using materials subject to the priority or allocation control of other governmental agencies. In addi-

tion, any person who wilfully violates any provision of this order is guilty of a crime and may be prosecuted under any and all applicable laws. Further, civil action may be instituted to enforce any liability or duty created by, or to enjoin any violation of, any provision of this order.

(g) *Delegation of authority.* The administration of this order and the powers vested in the War Food Administrator, insofar as such powers relate to the administration of this order, are hereby delegated to the Director. The Director is authorized to redelegate to any employee of the United States Department of Agriculture any or all of the authority vested in him by this order.

(h) *Communications.* All reports to be filed hereunder and all communications concerning this order shall, unless instructions to the contrary are issued by the War Food Administrator, be addressed to the Director of Food Distribution, War Food Administration, Washington 25, D.C., Ref. FD-4.

(i) *Territorial extent.* This order shall apply only to the forty-eight States of the United States and the District of Columbia.

(j) *Effective date.* This order shall become effective at 12:01 a. m. e. w. t., August 14, 1943. With respect to violations, rights accrued, or liabilities incurred, prior to the effective time of this amendment, Food Distribution Order No. 4, as heretofore amended, shall be deemed in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violations, rights, or liabilities.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334; 8 F.R. 5423)

Issued this 13th day of August 1943.

MARVIN JONES,
War Food Administrator.

Press Release Immediate:
Saturday, August 14, 1943.

Restrictions were placed today on manufacturers' and dealers' purchases of 1943-crop flue-cured tobacco by the War Food Administration.

Purpose of the restrictions, effective August 14, is to direct the flow of this year's crop to manufacturers and dealers in amounts consistent with WFA's alloca-

tion to them for domestic use of 463,425,000 pounds (green weight basis) for the 12 months beginning July 1, 1943. At the same time 336,575,000 pounds were allocated for shipment to our allies and friendly nations, and for a contingency reserve. The allocations were based on an estimated crop of 800 million pounds for the 12-month period.

The share of the 1943 crop which any manufacturer may acquire is 58 percent

of the 1942 domestic usings of flue-cured tobacco that he used during the period July 1, 1942, through June 30, 1943.

Total use of flue cured tobacco during the year was approximately 585 million pounds. Therefore, if one manufacturer used 58,500,000 pounds or 10 percent of the total, his allocation from the 1943 crop would be 10 times .58 or 5.8 percent. If the crop turns out to be 800 million

pounds he will be entitled to purchase 5.8 percent or 46,400,000 pounds.

This share includes farm and auction warehouse scrap. Reason for the figure 58 is that, under the allocation of the 1943 crop, the amount set up for domestic use by manufacturers and dealers is 53 percent of the crop.

Each manufacturer's share is further restricted as to the amounts he may acquire (1) directly from growers at auction markets and (2) from dealers. By each of the two methods he may acquire an amount proportional to his average purchases by each method from the crops of 1939, 1940, 1941, and 1942.

Total amount of the 1943 crop in which dealers may share is that part which is not allocated either for export purposes or to manufacturers for purchase direct on the auction floors. Of this remainder, representing approximately 17½ percent of the crop, each dealer may acquire tobacco in the ratio of his average purchases of flue-cured tobacco during the past 4 years (1939-1942 inclusive) to total dealers' average purchases during that period. A dealer's share of the 1943 crop, therefore, is the percentage of his purchases to total dealer purchases in the 4 years, multiplied by .175. The share does not include scrap. Tobacco purchased and resold at auction by a dealer during the 4 years does not count in establishing an allocation.

An additional restriction limits the volume of purely speculative buying—where warehousemen and speculators

buy at auction for resale at auction. At any warehouse, such sales are limited to 10 percent of grower's sales on the warehouse floor during the 1943 season. Such speculative buying accords with existing trade practice, it was stated, and is advocated by the trade as a means of avoiding a weak market. In order that tobacco so bought shall be resold at auction as intended, however, operators of re-drying equipment may not under the restrictive provisions re-dry it.

The allotments to dealers and manufacturers for auction market purchases are intended to represent the maximum percentage of offerings each of them is entitled to purchase. Totaled, they represent slightly more than 100 percent of the crop and it will not be possible, therefore, for all companies to acquire their full percentage. Officials stated that experience has shown that some buyers—because of high prices and qualities of offerings—will not buy the full amounts available to them. The slight over-allocation is provided in order to allow for such cases to insure full competition throughout the marketing season.

The restrictions are contained in Director Food Distribution Order 4.3. Food Distribution Order 4, Amendment 2, also effective August 14, 1943, authorizes the Director of Food Distribution to restrict the sale, purchase, delivery, or acceptance of any type or types of tobacco by any purchaser.

The action followed recent meetings between Government tobacco officials and representatives of flue-cured tobacco manufacturers, dealers, warehousemen and farm organizations.

Only the 1943 crop is affected by DFD Order 4.3, it was pointed out, and not dealers' and manufacturers' stock already on hand. Flue-cured tobacco, which normally accounts for about half of U. S. tobacco production, is used principally in the manufacture of cigarettes. Half or slightly more of the tobacco in the average cigarette is composed of flue-cured types, which are also used to a less extent in smoking and chewing tobaccos.

Tobacco must age before it is suitable for human consumption. The period usual for aging flue-cured leaf in stocks is about 2½ years. In recent years flue-cured production has not kept up with consumption. As of July 1, 1943, stocks in the hands of manufacturers totaled 1,045,560,851 pounds. This is only about 1.8 times the yearly rate of domestic use of the past year, and is still lower in proportion to the present year's probable rate of use.

The 1943 crop was officially estimated as of August 1, at 795,074,000 pounds, compared with domestic use and export last fiscal year of about 885,000,000 pounds and prospective demand this year (under restrictions) of over 925,000,000 pounds. The variation between demand and supply necessitated allocation.

AUGUST 13, 1943

LIBRARY
CURRENT SERIAL RECORD

AUG 23 1943

U. S. DEPARTMENT OF AGRICULTURE

WAR FOOD ADMINISTRATION

[FDO 4-3]

PART 1450—TOBACCO

RESTRICTIONS ON 1943 CROP FLUE-CURED
TOBACCO

Pursuant to the authority vested in me by Food Distribution Order 4, issued by the Secretary of Agriculture on January 7, 1943, as amended (8 F.R. 335 and *supra*), *It is hereby ordered*, As follows:

§ 1450.3 *Restrictions on 1943 crop flue-cured tobacco*—(a) *Definitions*. When used in this order, unless otherwise distinctly expressed or manifestly incompatible with the intent hereof:

(1) The term "flue-cured tobacco" means tobacco of Type 11, 12, 13, or 14, as defined in the Official Standard Grades for Flue-cured Tobacco, promulgated by the Secretary of Agriculture (7 CFR 29.151 et seq.), pursuant to the Tobacco Inspection Act (7 U.S.C. 1940 ed. 511 et seq.).

(2) The term "manufacturer" means any person who processes tobacco into a product for consumer use which is subject to taxation under the Internal Revenue Code (26 U.S.C. 1940 ed. 2000-2040).

(3) The term "dealer" means any person, other than a manufacturer, who buys tobacco for resale in redried condition and packed in containers.

(4) The term "speculator" means any person who purchases tobacco at auction or otherwise for resale at auction in unpackage and in undried condition.

(5) The term "warehouseman" means any person who operates a warehouse for the sale of tobacco at auction.

(6) The term "warehouse" means any building or structure in which tobacco is sold at auction.

(7) The term "farm scrap" means any loose, tangled, untied, and unstemmed tobacco salvaged as a by-product in harvesting, stripping, classing, and tying on the farm and consisting chiefly of barn and strip-house floor sweepings and very inferior quality leaves not sold at auction by growers.

(8) The term "auction scrap" means any loose, untied, and unstemmed tobacco consisting entirely of floor sweepings, loose and tangled leaves, or portions of leaves which accumulated from unavoidable droppings or breakage in careful handling of tobacco on auction warehouse floors and which consists exclusively of such tobacco salvaged as a by-product of auction marketing.

(b) *Restrictions*. (1) No manufacturer shall, directly or indirectly, purchase or accept delivery of a total quantity of 1943 crop flue-cured tobacco which is in excess of the quantity allocated to such manufacturer by the Director. Each manufacturer's allocation shall be expressed as a percentage of the 1943 crop, sold or to be sold, and may be granted to any such manufacturer upon the basis of information heretofore or hereafter submitted by him to the Director. The allocation percentage of each manufacturer shall include farm scrap and auction scrap and shall be determined by dividing the total quantity of flue-cured tobacco used by such person as a manufacturer during the period from July 1, 1942, to June 30, 1943, inclusive, by the total usings of such tobacco by all manufacturers during such period and multiplying the quotient by the factor .58.

(2) No manufacturer shall purchase on auction markets a total quantity of 1943 crop flue-cured tobacco which is in excess of that quantity allocated to him by the Director for purchase at auction, which quantity shall be determined by the percentage which his purchases at auction bore to his total purchases from the crops of flue-cured tobacco of the years 1939, 1940, 1941, and 1942.

(3) No dealer shall, directly or indirectly, purchase for his own account, or cause to be purchased for his account, on auction markets or from producers, a total quantity of 1943 crop flue-cured tobacco which is in excess of that quantity allocated to him by the Director. Each dealer's allocation which shall be exclusive of farm scrap and auction scrap, shall be expressed as a percentage of the 1943 crop, sold or to be sold, and may be granted upon the basis of information heretofore or hereafter submitted by such dealer to the Director. The allocation percentage of each dealer shall be determined by dividing the average purchases of such dealer from the 1939, 1940, 1941, and 1942 crops of flue-cured tobacco by the average of all purchases of all dealers during the same period, and multiplying the quotient by the factor .175:

Provided, That purchases by a dealer of flue-cured tobacco of the 1939, 1940, 1941, and 1942 crops resold at auction by such dealer, or for his account, shall not be included in the computation of the allocation of such dealer.

(4) No warehouseman shall purchase for his own account, or sell, or cause to

be sold, to speculators, or to any other person, for resale at auction, 1943 crop flue-cured tobacco in a quantity which shall exceed 10 percent of the net amount of tobacco sold by him for producers during the 1943 season.

(5) No person owning or operating a tobacco redrying plant shall redry or pack 1943 crop flue-cured tobacco owned by any person other than a dealer or manufacturer to whom an allocation has been granted.

(6) For the purposes of this order, buying orders shall be charged to the quota of the manufacturer or dealer for whom such buying order was executed.

(7) For the purposes of this order, tobacco bought at auction on contract for future delivery shall be considered as acquired for the dealer's own account.

(8) The poundage figures used in computing allocations pursuant hereto shall be reduced to an undried (green weight) basis. Tobacco in the steamed-dried condition and in unstemmed form shall be converted to the undried basis by multiplying the number of pounds by the factor 1.12. Tobacco in the steamed-dried condition and in stemmed form shall be converted to the undried basis by multiplying the number of pounds by the factor 1.44.

(9) The restrictions of this order shall be observed without regard to the rights of creditors, prior contracts, existing contracts, payments made, or deliveries of 1943 crop flue-cured tobacco made prior to the effective time hereof, and purchases or sales of 1943 crop flue-cured tobacco, made prior to the effective time hereof, shall be charged to the respective quotas in accordance with the provisions hereof, as if such sales were made after the effective time of this order.

(c) *Modification and amendment*. Any allocation made pursuant hereto may be modified, amended, or supplemented from time to time by notice or letter, issued by the Director, to any person to whom such allocation has been made.

(d) *Effective date*. This order shall become effective at 12:01 a. m. e. w. t., Aug. 14, 1943.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423; FDO 4, 8 F.R. 335 and *supra*)

Issued this 13th day of August 1943.

Roy F. HENDRICKSON,
Director of Food Distribution.

Press Release Immediate:
Saturday, August 14, 1943.

Restrictions were placed today on manufacturers' and dealers' purchases of 1943-crop flue-cured tobacco by the War Food Administration.

Purpose of the restrictions, effective August 14, is to direct the flow of this year's crop to manufacturers and dealers in amounts consistent with WFA's allocation to them for domestic use of 463,425,000 pounds (green weight basis) for the 12 months beginning July 1, 1943. At the same time 336,575,000 pounds were allocated for shipment to our allies and friendly nations, and for a contingency reserve. The allocations were based on an estimated crop of 800 million pounds for the 12-month period.

The share of the 1943 crop which any manufacturer may acquire is 58 percent of the fraction of total 1942 domestic usings of flue-cured tobacco that he used during the period of July 1, 1942, through June 30, 1943.

Total use of flue-cured tobacco during the year was approximately 585 million pounds. Therefore, if one manufacturer used 58,500,000 pounds or 10 percent of the total, his allocation from the 1943 crop would be 10 times .58 or 5.8 percent. If the crop turns out to be 800 million pounds he will be entitled to purchase 5.8 percent or 46,400,000 pounds.

This share includes farm and auction warehouse scrap. Reason for the figure 58 is that, under the allocation of the 1943 crop, the amount set up for domestic use by manufacturers and dealers is 58 percent of the crop.

Each manufacturer's share is further restricted as to the amounts he may acquire (1) directly from growers at auction markets and (2) from dealers. By each of the two methods he may acquire an amount proportional to his average purchases by each method from

the crops of 1939, 1940, 1941, and 1942.

Total amount of the 1943 crop in which dealers may share is that part which is not allocated either for export purposes or to manufacturers for purchase direct on the auction floors. Of this remainder, representing approximately 17½ percent of the crop, each dealer may acquire tobacco in the ratio of his average purchases of flue-cured tobacco during the past 4 years (1939-1942 inclusive) to total dealer's average purchases during that period. A dealer's share of the 1943 crop, therefore, is the percentage of his purchases to total dealer purchases in the 4 years, multiplied by .175. The share does not include scrap. Tobacco purchased and resold at auction by a dealer during the 4 years does not count in establishing an allocation.

An additional restriction limits the volume of purely speculative buying—where warehousemen and speculators buy at auction for resale at auction. At any warehouse, such sales are limited to 10 percent of grower's sales on the warehouse floor during the 1943 season. Such speculative buying accords with existing trade practice, it was stated, and is advocated by the trade as a means of avoiding a weak market. In order that tobacco so bought shall be resold at auction as intended, however, operators of re-drying equipment may not under the restrictive provisions re-dry it.

The allotments to dealers and manufacturers for auction market purchases are intended to represent the maximum percentage of offerings each of them is entitled to purchase. Totaled, they represent slightly more than 100 percent of the crop and it will not be possible, therefore, for all companies to acquire their full percentage. Officials stated that experience has shown that some buyers—because of high prices and qualities of offerings—will not buy the full amounts

available to them. The slight over-allocation is provided in order to allow for such cases to insure full competition throughout the marketing season.

The restrictions are contained in Director Food Distribution Order 4.3. Food Distribution Order 4, Amendment 2, also effective August 14, 1943, authorizes the Director of Food Distribution to restrict the sale, purchase, delivery, or acceptance of any type or types of tobacco by any purchaser.

The action followed recent meetings between Government tobacco officials and representatives of flue-cured tobacco manufacturers, dealers, warehousemen and farm organizations.

Only the 1943 crop is affected by DFD Order 4.3, it was pointed out, and not dealers' and manufacturers' stocks already on hand. Flue-cured tobacco, which normally accounts for about half of U. S. tobacco production, is used principally in the manufacture of cigarettes. Half or slightly more of the tobacco in the average cigarette is composed of flue-cured types, which are also used to a less extent in smoking and chewing tobaccos.

Tobacco must age before it is suitable for human consumption. The period usual for aging flue-cured leaf in stocks is about 2½ years. In recent years flue-cured production has not kept up with consumption. As of July 1, 1943, stocks in the hands of manufacturers totaled 1,045,560,851 pounds. This is only about 1.8 times the yearly rate of domestic use of the past year, and is still lower in proportion to the present year's probable rate of use.

The 1943 crop was officially estimated as of August 1, at 795,074,000 pounds, compared with domestic use and export last fiscal year of about 885,000,000 pounds and prospective demand this year (under restrictions) of over 925,000,000 pounds. The variation between demand and supply necessitated allocation.

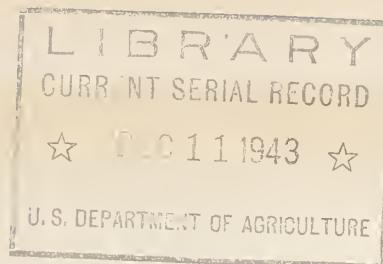
WAR FOOD ADMINISTRATION
Food Distribution Administration
Washington 25, D. C.

CORRECTION NOTICE -FDO-4.4 TOBACCO

In printing Food Distribution Order No. 4.4 the following errors occurred:

Under paragraph (b) .(1) (v) Type 36: Second line "BMM" should read "B5M."
Fifth line "H5F" should read "T3F."

733F



FDO 4-4

NOV. 27, 1943

WAR FOOD ADMINISTRATION

[FDO 4-4]

PART 1450—TOBACCO

1943 CROP FIRE-CURED AND DARK AIR-CURED
TOBACCO

Pursuant to the authority vested in me by Food Distribution Order No. 4, issued by the Secretary of Agriculture on January 7, 1943, as amended (8 F.R. 335, 11331), and to effectuate the purposes of such order, it is hereby ordered, as follows:

§ 1450.6 Restrictions on 1943 Crop Fire-Cured and Dark Air-Cured Tobacco—(a) Definitions. When used in this order, unless otherwise distinctly expressed or manifestly incompatible with the intent hereof:

(1) The term "Type 21" means tobacco of type 21, often called Virginia Fire-Cured, as defined in the Official Standard Grades for Fire-Cured Tobacco (7 CFR, 1939 Supp., 29.107), promulgated by the Secretary of Agriculture on November 29, 1939, pursuant to the Tobacco Inspection Act (7 U.S.C. 1940 ed. 511 et seq.).

(2) The term "Type 22" means tobacco of type 22, often called Eastern Fire-Cured, as defined in the Official Standard Grades for Fire-Cured Tobacco (7 CFR, 1939 Supp., 29.107), promulgated by the Secretary of Agriculture on November 29, 1939, pursuant to the Tobacco Inspection Act (7 U.S.C. 1940 ed. 511 et seq.).

(3) The term "Type 23" means tobacco of type 23, often called Western Fire-Cured Tobacco, as defined in the Official Standard Grades for Fire-Cured Tobacco (7 CFR, 1940 Supp., 29.107), promulgated by the Secretary of Agriculture on November 29, 1939, pursuant to the Tobacco Inspection Act (7 U.S.C. 1940 ed. 511 et seq.).

(4) The term "Type 35" means tobacco of type 35, often called One Sucker, as defined in the Official Standard Grades for Dark Air-Cured Tobacco (7 CFR, 1940 Supp., 29.257), promulgated by the Secretary of Agriculture on January 23, 1940, pursuant to the Tobacco Inspection Act (7 U.S.C. 1940 ed. 511 et seq.).

(5) The term "Type 36" means tobacco of type 36, often called Green River, as defined in the Official Standard Grades for Dark Air-Cured Tobacco (7 CFR, 1940 Supp., 29.257), promulgated by the Secretary of Agriculture on January 23, 1940, pursuant to the Tobacco Inspection Act (7 U.S.C. 1940 ed. 511 et seq.).

(6) The term "grade" means the respective grade of tobacco as defined in the Official Standard Grades for Fire-Cured Tobacco (7 CFR, 1939 Supp., 29.101-29.108), and the Official Standard Grades for Dark Air-Cured Tobacco (7 CFR, 1940 Supp., 29.251-29.258), promulgated by the Secretary of Agriculture on November 29, 1939, and January 23, 1940, respectively. The letter "V" used in connection with any such grade designation shall mean greenish tobacco as defined in said Official Standard Grades for Fire-Cured Tobacco and the Official Standard Grades for Dark Air-Cured Tobacco.

(7) The term "manufacturer of tobacco by-products" means any person who acquires and processes tobacco under Tobacco Diversion Program No. K/40a, established by the War Food Administrator on September 15, 1943, as amended, under the provisions of clause 2, section 32 of "An Act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935 (7 U.S.C. 1940 ed. 612c), as amended.

(8) The term "Director" means the Director of Food Distribution, War Food Administration.

(9) The term "person" means any individual, partnership, association, business trust, corporation, or any organized group of persons, whether incorporated or not.

(b) *Restrictions.* (1) No persons other than the Federal Surplus Commodities Corporation, manufacturers of tobacco by-products, or authorized purchasing agents of manufacturers of tobacco by-products shall, after the effective time of this order, purchase at auction, accept delivery of, or otherwise acquire the following grades of the following types of 1943 crop tobacco:

(i) Type 21: Grades X5F, X5FV, X5D, X5M, X5G, and N.

(ii) Type 22: Grades B5F 46, 45, 44; B5FV 46, 45, 44; B5D 46, 45, 44; B5M 46, 45, 44; B5G 46, 45, 44; C5L 46, 45, 44; C5F 46, 45, 44; C5FV 46, 45, 44; C5D 46, 45, 44; C5M 46, 45, 44; C5G 46, 45, 44; T3F, T3D, T3M, T3G, T4F, T4D, T4M, T4G, T5F, T5D, T5M, T5G, X4G, X4M, X4L, X5F, X5FV, X5D, X5M, X5G, and N.

(iii) Type 23: Grades B5F 46, 45, 44; B5FV 46, 45, 44; B5D 46, 45, 44; B5M 46, 45, 44; C5L 46, 45, 44; C5F 46, 45, 44; C5FV 46, 45, 44; C5D 46, 45, 44; C5M 46, 45, 44; C5G 46, 45, 44; T3F, T3D, T3M, T3G, T4F, T4D, T4M, T4G, T5F, T5D, T5M, T5G, X4G, X4M, X4L, X5F, X5FV, X5D, X5M, X5G, and N.

(iv) Type 35: Grades B5F 46, 45, 44; B5FV 46, 45, 44; B5R 46, 45, 44; B5D 46, 45, 44; B5M 46, 45, 44; B5G 46, 45, 44; C5L 46, 45, 44; C5F

46, 45, 44; C5FV 46, 45, 44; C5R 46, 45, 44; C5M 46, 45, 44; C5G 46, 45, 44; T3F, T3R, T3D, T3M, T3G, T4F, T4R, T4D, T4M, T4G, T5F, T5R, T5D, T5M, T5G, X5R, X5D, X5M, X5G, and N.

(v) Type 36: Grades B5F 46, 45, 44; B5FV 46, 45, 44; B5R 46, 45, 44; B5D 46, 45, 44; BMM 46, 45, 44; B5G 46, 45, 44; C5L 46, 45, 44; C5F 46, 45, 44; C5FV 46, 45, 44; C5R 46, 45, 44; C5M 46, 45, 44; C5G 46, 45, 44; H5F, T3R, T3D, T3M, T3G, T4F, T4R, T4D, T4M, T4G, T5F, T5R, T5D, T5M, T5G, X4G, X5L, X5F, X5FV, X5R, X5D, X5M, X5G, and N.

(2) The restrictions of (b) (1) hereof shall not apply to transactions between a landlord and his tenant with respect to tobacco grown on the land which is subject to such landlord-tenant relationship.

(3) The restrictions of this order shall be observed without regard to the rights of creditors, prior contracts, existing contracts, payments made, or deliveries of 1943 crop Fire-Cured and Dark Air-Cured tobacco made prior to the effective time hereof.

(c) *Records.* Every person subject to this order shall, for at least two years, maintain an accurate record of his transactions in tobacco. (This record keeping requirement has been approved by the Bureau of the Budget, in accordance with the Reports Act of 1942.)

(d) *Audits and inspections.* The Director shall be entitled to make such audit or inspection of the books, records and other writings, premises or stocks of tobacco of any person, and to make such investigations, as may be necessary or appropriate, in his discretion, to the enforcement or administration of the provisions of this order.

(e) *Petition for relief from hardship.* Any person affected by this order who considers that compliance herewith would work an exceptional and unreasonable hardship on him may apply in writing for relief to the Director, setting forth in such petition all pertinent facts and the nature of the relief sought. The Director may thereupon take such action as he deems appropriate, which action shall be final.

(f) *Effective date.* This order shall become effective at 12:01 a. m., e. w. t., November 30, 1943.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423; E.O. 9392, 8 F.R. 14793; FDO 4, 8 F.R. 335, 11331)

Issued this 27th day of November 1943.

C. W. KITCHEN,
Acting Director of Food Distribution.

War Food Administration.
Summary to FDO 4.4.

Acting to augment supplies of insecticides, vitally needed for food production, the War Food Administration today reserved certain low grades of the 1943 crop of some types of dark tobacco for use in the manufacture of nicotine sulphate and nicotine alkaloid.

Included under the reservation are specified grades of Virginia fire-cured tobacco (Type 21), Eastern fire-cured (Type 22), Western fire-cured (Type 23),

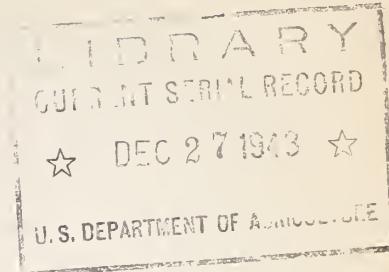
One Sucker (Type 35), and Green River (Type 36). These fire-cured and dark air-cured tobacco types are grown largely in Virginia, Kentucky, and Tennessee. The action, effective November 30 under Director Food Distribution Order 4.4 provides that these grades of tobacco may be purchased only by manufacturers of nicotine sulphate and nicotine alkaloid or by the Federal Surplus Commodities Corporation.

Principal sources of insecticide bases, such as rotenone and pyrethrum in the East Indies, have been cut off by the war.

Since April 1942, however, the Food Distribution Administration has conducted a program encouraging diversion of low-grade dark tobacco into nicotine alkaloid and nicotine sulphate manufacture.

Grades of tobacco covered by the order are among the lowest grades of these types of tobacco appearing on the market.

Prices to be paid for the reserved grades, FDA officials said, will be in accordance with market conditions and will not penalize growers.



WAR FOOD ADMINISTRATION

[FDO 4-4, Amdt. 1]

PART 1450—TOBACCO

1943 CROP FIRE-CURED AND DARK AIR-CURED
TOBACCO

Food Distribution Order No. 4-4, § 1450.6, issued by the Acting Director of Food Distribution, War Food Administration, on November 27, 1943 (8 F.R. 16098), is amended as follows:

1. By adding to (a) thereof the following:

(10) The term "Type 37" means tobacco of type 37, often called Virginia sun-cured, as defined in the Official

Standard Grades for Dark Air-cured Tobacco (7 CFR, 1940 Supp., 29.257), promulgated by the Secretary of Agriculture on January 23, 1940, pursuant to the Tobacco Inspection Act (7 U.S.C. 1940 ed. 511, *et seq.*).

2. By adding to (b) (1) thereof the following:

(iv) Type 37: Grades X5F, X5FV, X5D, X5M, X5G, and N.

This amendment shall become effective at 12:01 a. m., e. w. t., December 6, 1943.

With respect to violations, rights accrued, or liabilities incurred prior to the

effective time of this amendment, Food Distribution Order No. 4-4 shall be deemed to be in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violation, right, or liability.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423, E.O. 9392, 8 F.R. 14783; FDO 4, 8 F.R. 335, 11331)

Issued this 4th day of December 1943.

C. W. KITCHEN,
Acting Director of Food Distribution.

War Food Administration,
Summary to FDO 4-4 Amendment No. 1.

Six grades of Virginia Sun-cured tobacco (U. S. Type 37) have been added to the types of 1943 crop dark tobacco which recently were reserved for purchase by the Federal Surplus Commodities Corporation and manufacturers of

nicotine insecticides, the War Food Administration announces. The grades are X5F, X5FV, X5D, X5M, X5G, and Nondescript.

Corresponding grades of Virginia Fire-cured tobacco (U. S. Type 21) were reserved in the original Food Distribution Order 4-4. The present action, under

Amendment 1 to that order, is being taken at the suggestion of industry members because some tobacco grown as type 21 has been air-cured and might be sold outside of the reservation, with resulting confusion and inequity.

This amendment is effective December 6.

RECEIVED
WAR FOOD ADMINISTRATION
NOV 27 1943

WAR FOOD ADMINISTRATION

[FDO 4-4, Amdt. 2]

PART 1450—TOBACCO

1943 CROP FIRE-CURED AND DARK AIR-CURED
TOBACCO

Food Distribution Order No. 4-4, § 1450.6, issued by the Acting Director of Food Distribution, War Food Administration, on November 27, 1943, as amended (8 F.R. 16098, 16497), is amended by deleting therefrom the provisions in § 1450.6 (b) (v) and inserting in lieu thereof, the following:

(v) Type 36; Grades B5F 46, 45, 44; B5FV 46, 45, 44; B5R 46, 45, 44; B5D 46, 45, 44; B5M 46, 45, 44; B5G 46, 45, 44; C5L 46, 45, 44; C5F 46, 45, 44; C5FV 46, 45, 44; C5R 46, 45, 44; C5M 46, 45, 44; C5G 46, 45, 44; T3F, T3R, T3D, T3M, T3G, T4F, T4R, T4D, T4M, T4G, T5F, T5R, T5D, T5M, T5G, X5R, X5D, X5M, X5G, and N.

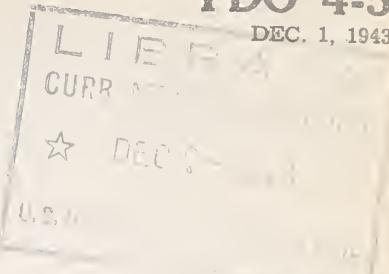
This amendment shall become effective at 12:01 a. m., e. w. t., Dec. 15, 1943.

With respect to violations, rights accrued, liabilities incurred, or appeals taken under Food Distribution Order No. 4-4, as amended, prior to the effective time of this amendment, Food Distribution Order No. 4-4, as amended, shall be deemed to be in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violation, right, liability, or appeal.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423; E.O. 9392, 8 F.R. 14783; FDO 4, 8 F.R. 335, 11331)

Issued this 14th day of December 1943.

C. W. KITCHEN,
Acting Director of Food Distribution.



WAR FOOD ADMINISTRATION

A [FDO 4-5]

PART 1450—TOBACCO

ALLOCATIONS OF 1943 CROP BURLEY TOBACCO

Pursuant to the authority vested in me by Food Distribution Order No. 4, issued by the Secretary of Agriculture on January 7, 1943, as amended (8 F.R. 335, 11331), and to effectuate the purposes of such order, it is hereby ordered as follows:

§ 1450.5 Restrictions on 1943 crop burley tobacco—(a) Definitions.—When used in this order, unless otherwise distinctly expressed or manifestly incompatible with the intent hereof:

(1) The term "burley tobacco" means unmanufactured tobacco of Type 31, as defined in the Official Standard Grades for Burley Tobacco (7 CFR 29.206 (II)), promulgated by the Secretary of Agriculture on November 25, 1936, pursuant to the Tobacco Inspection Act (7 U.S.C. 511 et seq.).

(2) The term "manufacturer" means any person who processed tobacco during the period from October 1, 1942, to September 30, 1943, inclusive, into a product for consumer use which was subject to taxation under the Internal Revenue Code (26 U.S.C. 2000-2040).

(3) The term "dealer" means any person, other than a manufacturer, who purchased burley tobacco of the crops of 1939, 1940, and 1941 from producers or at auction and redried and packed such tobacco, or had such tobacco redried and packed for his account.

(4) The term "1943 crop burley tobacco" means burley tobacco which was planted and harvested during the calendar year 1943.

(5) The term "warehouseman" means any person who offers tobacco for sale at auction as a commission agent for the producer of such tobacco.

(6) The term "farm scrap" means any loose, tangled, untied, and unstemmed burley tobacco salvaged as a by-product in harvesting, stripping, classing, and tying on the farm and consisting chiefly of barn and strip-house floor sweepings and very inferior quality leaves not sold at auction by growers.

(7) The term "auction scrap" means any loose, untied, and unstemmed burley tobacco consisting entirely of floor sweepings, loose, and tangled leaves, or portions of leaves which accumulate from unavoidable dropping or breakage in the handling of burley tobacco on auction

warehouse floors and which consist exclusively of such tobacco salvaged as a by-product of auction marketing.

(8) The term "person" means any individual, partnership, association, business trust, corporation, or any organized group of persons, whether incorporated or not.

(b) *Restrictions.* (1) After the effective time of this order no person shall purchase, or otherwise acquire, 1943 crop burley tobacco unless such tobacco is purchased or acquired pursuant to the provisions hereof.

(2) No manufacturer shall, directly or indirectly, purchase, or otherwise acquire, 1943 crop burley tobacco, except as provided in (b) (6) hereof, which will cause the total amount of such tobacco so acquired by him to exceed 90 percent of the total number of pounds of burley tobacco used by such person for manufacturing purposes during the period from October 1, 1942, to September 30, 1943, inclusive.

(3) No manufacturer shall, except as provided in (b) (6) hereof, purchase at auction a higher proportion of his total allocation of 1943 crop burley tobacco than his total purchases of burley tobacco from the crops of 1939, 1940, and 1941 at auction bore to his total purchases of burley tobacco from such crops, and such proportion of his total allocation shall only be purchased at auction.

(4) No dealer shall purchase, except as provided in (b) (6) hereof, from producers or at auction for his own account a total quantity of 1943 crop burley tobacco which is in excess of 115 percent of the amount which was allocated to such dealer pursuant to the provisions of Food Distribution Order No. 4-1, issued by the Director of Food Distribution on January 8, 1943, as amended (8 F.R. 392, 4281), or the amount which he was entitled to have allocated to him pursuant to said Food Distribution Order, as amended, for such purchases from the 1942 crop of burley tobacco.

(5) Any person may purchase 1943 crop burley tobacco at auction: *Provided*, That if the price bid for the respective tobacco by any such person, who is not a dealer or a manufacturer, is equal to the maximum price established by the Office of Price Administration for such tobacco, and in effect on the date of such bid, the tobacco may be purchased by such person only if no manufacturer or dealer bids the maximum price, as aforesaid, for such tobacco.

(6) Purchases at auction of 1943 crop burley tobacco by a manufacturer or a dealer shall not be charged to the purchaser's allocation of 1943 crop burley tobacco pursuant to (b) (2), (b) (3), or (b) (4) hereof if such tobacco is purchased at a price less than the maximum price for such tobacco established by the Office of Price Administration and in effect on the date of such purchase.

(7) Purchases of auction scrap and farm scrap by a dealer shall not be charged against such dealer's allocation, but purchases of auction scrap and farm scrap by a manufacturer shall be charged to such manufacturer's allocation.

(8) Any person may purchase 1943 crop burley tobacco for use in the fulfillment of a written buying order, executed prior to the time of such purchase, for any person having an allocation hereunder and, for the purposes of this order, such burley tobacco acquired under any buying order shall be charged to the allocation of the person who issued such buying order.

(9) For the purposes of this order, burley tobacco bought at auction on contract for future delivery shall be considered as acquired for the purchaser's own account.

(10) The poundage figures used in computing allocations pursuant hereto shall be reduced to an undried (green weight) basis. Burley tobacco in the steamed dried condition and in unstemmed form shall be converted to the undried basis by multiplying the number of pounds by the factor 1.12. Burley tobacco in the steamed dried condition and in stemmed form shall be converted to the undried basis by multiplying the number of pounds by the factor 1.42.

(11) The restrictions of this order shall be observed without regard to the rights of creditors, prior contracts, existing contracts, or payments made prior to the effective time hereof, and purchases or sales of 1943 crop burley tobacco, made prior to the effective time hereof, shall be charged to the respective allocations in accordance with the provisions hereof, as if such purchases or sales were made after the effective time of this order.

(c) *Modification and amendment.*—Any allocation granted herein may be modified, amended, or supplemented from time to time by notice or letter, issued by the Director, to any person to whom such allocation has been made.

(d) *Provisions incorporated by reference.*—The provisions of Food Distribution Order No. 4, as amended, with respect to reports and records, audits and inspections, petitions for relief from hardship, and violations shall apply to persons to whom this order applies with

the same force and effect as if set forth herein.

(e) *Effective date.*—This order shall become effective at 12:01 a. m., e. w. t., December 3, 1943.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423; E.O.

9392, 8 F.R. 14783; FDO 4, 8 F.R. 335, 11331.)

Issued this 1st day of December 1943.

C. W. KITCHEN,
Acting Director of Food Distribution.

War Food Administration, Summary to FDO 4-5

Allocation intended to control distribution to manufacturers and other handlers of the 1943 burley tobacco crop was announced by the War Food Administration.

Since 1941, burley production has not kept pace with demand. Last year, as a result, the crop was allocated so as to effect an equitable distribution. The action, effective December 3 under Food Distribution Order 4-5, is expected by the trade and Food Distribution Administration officials to provide a fair distribution of the new crop when the burley auction markets open on December 6.

Under the order, each manufacturer's allocation is limited to 90 percent of the burley he used during the 12 months ended September 30, 1943. However, 1943-crop tobacco which a manufacturer buys at auction below the ceiling price will not be charged to his allocation.

Also, auction purchases by a manufacturer—except purchases below the ceiling price—cannot be a greater fraction of his total burley allocation this year than they averaged from the crops of 1939, 1940, and 1941. This means that the purchase methods, i. e. purchases at auction as distinguished from other purchases which each manufacturer employs must be the same he employed in purchasing from the 1939, 1940, and 1941 crops.

Any person other than a manufacturer—provided he purchased from the burley crops of 1939, 1940, and 1941 and who redried and packed this tobacco or had it done—may purchase up to 115 percent of the amount that was allocated to him from the 1942 crop in addition to what he purchases at auction below ceiling prices.

Any person who is high bidder at auction may purchase 1943-crop burley ex-

cept that if he is not a dealer or manufacturer, and both he and a dealer or manufacturer bid the ceiling price, then the tobacco will go to the dealer or manufacturer instead.

This provision will enable warehousemen to bid on tobacco which the grower delivers to the warehouseman in order to insure the grower the ceiling price or as near to it as is possible. It also conforms to recommendations made by warehousemen who attended the Burley Tobacco Advisory Committee meeting in Washington on October 27.

Burley production for the 1943 calendar year was estimated on November 1 at 390 million pounds, comparing with last year's 343 million pounds. Domestic usings by manufacturers, which during the year beginning October 1, 1942 were about 415 million pounds, during the succeeding 12 months probably will be considerably greater.